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WAR DEPARTMENT
OFFICE OF THE ASSISTANT SECRETARY OF WAR
STRATEGIC SERVICES UNIT
25th & E STREETS, N.W.
WASHINGTON 25, D.C.

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DIVISION OF FOREIGN ACTIVITY CORRELATION
SEP 26 1946
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DIVISION OF CHINESE AFFAIRS
OCT - 3 1946
DEPARTMENT OF STATE

18 September 1946

STATE DEPT. DECLASSIFICATION REVIEW
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EO 12958, 25X
IPS/CR/IR by DOSullivan Date: 6/24/99

TO: Mr. Jack Neal
Division of Foreign Activity Correlation
Department of State

FROM: Chief, Dissemination Branch, SSU

The attached material, which has been obtained from reliable sources, is being forwarded to you in the belief that it may be of interest.

For your information and retention

Chief, Dissemination Branch, SSU.

Attachment DB-1110

[illegible] Unit

EXEMPT ~~from Declass.~~
~~Per E.O. 12065, Sec. 3-4~~
~~Re-review - 1990~~

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FORM 1519

SECRET CONTROL

STRATEGIC SERVICES UNIT, WAR DEPARTMENT

Washington, D. C.

10 September 1946

COUNTRY: China

SUBJECT: Chinese Intelligence

DATE OF INFORMATION: 9 May 1946 – 28 July 1946

EVALUATION: As Indicated

The following summarizes several reports on Chinese Intelligence recently received from China:

I. Reorganization of Bureau of Investigation and Statistics

1. Several recent reports from China state that the Bureau of Investigation and Statistics has been reorganized as the Bureau of Information under the Ministry of National Defense. (B-3) The Chinese newspaper Shih Shih Hsin Pao of Shanghai has also reported this reorganization.

2. At the present time Lt. Gen. CHENG Chieh-min is the Director of the Bureau. Under him are two Assistant Directors, MAO Jen-feng (MAO Ch'ing-hsiang) and HO Yao-Chu. (B-2)

3. Under the new plan of organization the Bureau of Investigation and Statistics will be kept virtually intact and will continue its former functions. Although it will be independent of the Military Intelligence System, representatives of the Bureau have been placed in virtually every Army headquarters and Military Intelligence office. The War and Navy Boards of the Ministry of National Defense will have their own intelligence organs but their jurisdiction will be limited. (C-3)

4. Present plans for the over-all Chinese Intelligence indicate that CHIANG Kai-shek will be kept informed in three ways:

a. By the Kuomintang – C. C. Clique intelligence system.
b. By the Bureau of Investigation and Statistics operating as the Bureau of Information.
c. By information secured by the following governmental departments (all relatively unimportant from an intelligence viewpoint): The Ministry of Foreign Affairs, the Shanghai Municipal Police Investigation Department, the Social Affairs Bureau, the Labor Affairs Bureau, the Press Affairs Bureau, and certain other departments.

SECRET CONTROL

5. The Bureau of Information and Statistics or Bureau of Information is composed of the following six sections:

a. The Foreign Affairs Section which gathers information from countries other than China. This agency also performs the counter-intelligence function of gathering information on agents of foreign powers operating in China with the exception of agents of Chinese nationality.

b. The Operations Section which is responsible for assassinations, demolitions and sabotage. Other sections of the Bureau report to the Operations Section undesirable persons whom they wish to have assassinated or sabotage projects which they wish to have executed. (See Par. 1, Section II). It is this section which is charged with the counter-intelligence function of detecting Chinese who are working for foreign governments.

c. The Strategic and Tactical Section which functions similarly to G-2 of the United States Army.

d. The Investigation Section which operates only in China and which is responsible for the gathering of all intelligence not specifically assigned to any other section.

e. The Personnel Section which handles all personnel problems, including the placing of agents after graduation from intelligence schools.

f. The Financial Section which handles all financial problems of the organization. (C-0)

6. The principal office of the Bureau in Shanghai is located at 70 Route Doumer. This office continues to function despite public announcements that it has been closed, together with the training centers, branch offices, detention quarters and concentration camps connected with it. (C-3)

7. In Shanghai the Bureau uses various covers to conceal its existence and its activities. These covers include other government agencies, societies and business firms. In the case of government agencies used as cover, the Bureau maintains control over the latter by placing agents therein who either actually conduct operations or who act as permanent liaison with the principal agency. (C-3) Some of the above-mentioned covers used by the Bureau in Shanghai are:

a. The Shanghai Municipal Police. Shanghai newspapers on 31 May 1946 reported that the Special Service Regiment of the Shanghai-Woosung Garrison Headquarters had been reorganized as the Police for Peace Preservation and had been taken over by the Shanghai Police Bureau. This regiment is controlled by the Bureau and is largely made up of members of the SAN MIN CHU YI Youth Corps and Action Corps. (Doc. B-3)

b. Clarke's Detective Agency, which works for other governments, also does some work for the Bureau. (Unval.)

c. The Hsin Yi Society is sponsored by and works with the Bureau. This Society is five years old and has a total of 7,500 members, including a large number of influential businessmen who do intelligence work. The Society's main office is located at 4 Tsang Yu Lane on Nan Yang Ch'iao. Branch offices of the Society are located in Pootung, Peihsinching, Ts'aochiatu, Nantao, Yangtszepoo and on Sinza Road. On the first of June the Chief of the Hsin Yi Society called a meeting at the Chin Chiang Restaurant to organize the New Life Transportation Company. The company will be located at No. 136 Lane 125, Szechuan Rd. (B-3)

d. There are also several independent groups which report directly to the principal office of the Bureau of Information. These groups are usually disguised as commission agencies and business firms, and the following are some of their addresses: Room 207, Ezra Building; 264 Kiangse Road; Room 405, Wolda Hotel; 1005 Avenue Joffre; Political Police Bureau, 50 Weihaiwei Road; Kwei Shing Company, 12-3 Central Arcade. Another office which employs ten people is located across from the Canidrome at 410 Roi Albert. (C-3)

8. In Peiping the Bureau has greatly expanded its network and, according to Communist sources, now employs about three thousand agents. As in Shanghai the Bureau exercises control over both the police and officials in other government agencies which maintain intelligence sections for the detection of subversive activities. The principal office of the Bureau in Peking is located at the Headquarters of the 11th War Area. This office is called the "Investigation Room" and employs between 40 and 50 persons. Several of these are Japanese and Korean specialists who formerly did similar work for the Japanese. (C-3)

9. In Tientsin the local office of the Bureau is known as the TUNG CHI CHU. It employs about three hundred people, several of whom are Japanese.

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Summary of several reports on Chinese Intelligence received from China.

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